

FISCAL NOTE

HB 2608 - SB 2830

February 28, 2008

SUMMARY OF BILL: Effective July 1, 2008, requires all inmates to be tested for "blood borne pathogens" which include, but are not limited to hepatitis B virus (HBV) and human immunodeficiency virus (HIV). Requires all inmates in the Tennessee correctional system to be tested for these pathogens by July 1, 2009.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$4,542,800/One-Time
\$4,156,100/Recurring**

Assumptions:

- Under current law, testing for HIV is mandatory if the inmate is 21 years of age or less.
- On average 7,000 persons are admitted to the Department of Correction (DOC) each year. DOC estimates 70 percent (4,900) are currently being tested for HIV and 30 percent (2,100) are being tested for hepatitis. Estimated cost to test for HIV is \$40 and \$30 for hepatitis. An inmate with HIV requires treatment for the entire length of incarceration. DOC estimates an inmate with hepatitis will require treatment for one year.
- Each year 2,100 inmates will be tested for HIV who are not currently being tested, at a cost of \$40 per person for a total of \$84,000 ($\$40 \times 2,100$) for the initial testing. DOC estimates 42 of those inmates will test positive for HIV and will require further testing to determine the appropriate treatment. The additional tests will cost \$200 per inmate for a total of \$8,400 ($\200×42). The average cost for treatment for an HIV patient is \$1,224 per month or \$14,688 per year. The cost for treatment for 42 additional inmates will be \$616,896 for one year. The total recurring cost for 42 additional inmates to receive HIV tests and treatment for 2.75 years will be \$1,788,864 ($\$616,896 \times 2.75 = \$1,696,464 + \$84,000 + \$8,400$).
- Each year 4,900 inmates will be tested for hepatitis who are not currently being tested, at a cost of \$30 per person for a total of \$147,000 ($\$30 \times 4,900$) for the initial testing. DOC estimates 116 of those inmates will test positive for hepatitis. The average cost for

treatment for a hepatitis patient is \$1,595 per month or \$19,140 per year. The cost for 116 additional inmates to receive hepatitis tests and treatment will be \$2,367,240 ($\$19,140 \times 116 = \$2,220,240 + \$147,000$).

- Total recurring expenditures for the Department to perform the required tests and appropriate treatment are \$4,156,104 ($\$1,788,864 + \$2,367,240$).
- DOC currently has 19,200 inmates. The Department estimates two percent (115) of the remaining 30 percent not currently being tested for HIV will test positive. Estimate assumes these inmates have already served 50 percent of the average 2.75 years (16.5 months). The average cost per inmate for treatment is \$20,196 ($\$1,224 \times 16.5$ months). The one-time cost for the Department to treat these additional offenders will be \$2,322,540 ($\$20,196 \times 115$).
- DOC currently has 50 inmates being treated for hepatitis with 30 percent of all inmates being tested for hepatitis. DOC estimates an additional 116 inmates will be tested positive for hepatitis. The cost per inmate for treatment is \$19,140 ($\$1,595 \times 12$). The one-time cost for the Department to treat these additional offenders will be \$2,220,240 ($\$19,140 \times 116$).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director

/lsc